

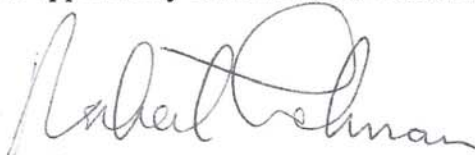
July 17, 2009

Jack Leutza
Director, Communications Division
California Public Utilities Commission
505 Van Ness Avenue
San Francisco, CA 94102

Re: Request to publish Communications Division's proposed California High Cost Fund – B (CHCF-B) Expense Budget for FY 2010-2011 in the Commission's Daily Calendar.

Pursuant to Article 4.1. (a) of the Charter of the California High Cost Fund – B Administrative Committee (CHCF-B AC), the CHCF-B AC is charged to submit a proposed expense budget for the fiscal year 2010-11 by June 1, 2009.

Although we were unable to meet the June 1st due date, the CHCF-B AC met on June 10 to discuss the budget and other program matters. The budget was not developed at that time. Because of conflict of interest issues for some AC members, we were unable to have a quorum to officially approve this budget. We are however, sending you the Communications Division's proposed expense budget, revised since the June 10th AC meeting to reflect additional carrier projected claim information, so that the public will have an opportunity to review and comment on it.



Robert Lehman, Chairperson
California High Cost Fund – B Administrative Committee

Cc: Commissioners
Service List for R.09-06-019

CALIFORNIA HIGH COST FUND B ADMINISTRATIVE COMMITTEE FUND
PROGRAM EXPENSE BUDGET FOR FY 2010-11
All Amounts in (\$000)

Line	Program Expenses	Adopted Per Res T-17103 FY 2008-09	Adopted Per Res T-17160 FY 2009-10	Proposed FY 2010-11
Program Costs				
1	Carrier Claim Payments (Current) ¹	\$ 415,500	\$ 47,606	\$ 46,887
2	Carrier Claims for prior years	\$ -	\$ -	\$ 1,000
3	Interest for Untimely Payments	\$ 1,000	\$ 1,000	\$ 1,000
4	Other Program Services			
5	Other Legislative Mandated Programs/Other Program Payments			
6	Audits	\$ 500	\$ 60	\$ 353
7	Banking Fees ²	\$ 30	\$ 30	\$ 15
8	Data Processing Automation ³	\$ 50	\$ 50	\$ 25
Administrative Committee Costs ⁴				
9	Administrative Committee-Per Diem	\$ 2	\$ 2	\$ 2
10	Administrative Committee-Travel	\$ 4	\$ 4	\$ 4
11	Administrative Committee- Other Expense	\$ 2	\$ 2	\$ 2
PUC Staff and Admin Costs				
12	Inter-Agency Fee ⁵	\$ 1,840	\$ 2,124	\$ 1,038
13	CPUC Staff and Administrative Costs ⁶	\$ 530	\$ 637	\$ 609
14	Total Program Expenses	\$ 419,458	\$ 51,515	\$ 50,935

Notes

- 1 Claim payments for FY 2010-11 are based on projections submitted by carriers in May 2009 and include Surewest EAS payments.
- 2 Based on estimated lockbox and other banking fees.
- 3 Based on estimated costs for SQL programming and maintaining the electronic filing and monitoring system.
- 4 Pursuant to D. 02-04-059, per diem and other costs are authorized for committee member attendance in the CHCF-B AC meeting. It is assumed that there will be 4 meetings of the CHCF-B AC during FY 2010-11.
- 5 Based on estimate of pro-rata costs allocated to state service agencies, e. g. DGS, State Personnel Board, etc.
- 6 Based on personnel staff allocation estimate and program priorities for the five public purpose programs but only includes CHCF-B p